

Corri A. Feige
Commissioner

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Department of
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STATE OF ALASKA

PRESS RELEASE

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Miners working on state land can submit production royalties online

Traditional paper returns will still be accepted

(Anchorage, AK) – The Alaska Department of Natural Resources has established a one-stop, online submittal system to allow Alaska miners working on state land to submit their annual production royalties at the same time they file their mining license taxes.

Starting March 1, Alaska miners can submit their production royalties through the Department of Revenue's online submittal system, Revenue Online. Revenue Online is already where miners go to get their Mining License, and file and pay their Mining License Tax.

"By allowing the mining community to submit their production royalty returns through the same system as they submit their mining license tax we hope to simplify and streamline the process," said DNR Commissioner Corri Feige.

All miners working on state land must report and if required, pay annual production royalties regardless of mine size or income. Production royalties are a royalty paid to the state in exchange for and to preserve the right to extract and possess minerals such as gold, silver, copper, quartz and jade to name some of the minerals mined from state land. In Alaska, production royalties are 3% of a miner's net income as calculated through the Mining License Tax. From that 3%, miners can deduct the rent they pay to the state for their claim/lease that produced the mineral. Production royalties are due May 1 of every year.

"Because the state calculates production royalties from Mining License Tax, miners sometime get confused and do not realize they need to do both," Aleria Knudson, Production Royalty Program Geologist with the Division of Mining, Land and Water's Mineral Property Management section, said. "By offering filing in the same location, we are hoping to eliminate that confusion."

The new system will allow miners to file Production Royalty Returns immediately after they calculate and file their Mining License Tax. It will autofill into the Production Royalty Return the repetitive information miners must enter for their Mining License Tax. It will also provide necessary security to protect sensitive tax information involved in the calculation of production royalties and allow for production royalty payments online.

For miners who prefer submitting their production royalty returns using the traditional system, paper forms will still be accepted by the Fairbanks and Anchorage DNR mining offices.

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